

FISCAL NOTE

SB 2688 - HB 2606

February 5, 2000

SUMMARY OF BILL: Imposes a 5% business tax based on the contract price, commission, fee or wage on contractors domiciled outside the state of Tennessee. This tax is in addition to the business taxes due in TCA 67-4-709.

ESTIMATED FISCAL IMPACT:

Increase State Revenues - Exceeds \$100,000

Increase State Expenditures - Not Significant

Increase Local Govt. Revenues - Exceeds \$100,000

Estimate assumes:

- The total increase in state revenues cannot be determined but can be reasonably estimated to exceed \$100,000.
- The total increase in local government revenues cannot be determined but can be reasonably estimated to exceed \$100,000.
- An increase in state expenditures to notify accounts of the tax law changes, however, the increase is estimated to be not significant.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director

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